

November 13, 2013

Item No. 12

**AUTHORIZATION TO EXECUTE CONTRACT WITH MADISON CONSTRUCTION COMPANY
FOR EXTERIOR FAÇADE IMPROVEMENTS AND LIFE SAFETY UPGRADES AT ARMOUR
SQUARE APARTMENTS AND ANNEX**

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to enter into a contract with Madison Construction Company for the exterior façade improvements and life safety upgrades at Armour Square Apartments and Annex in the amount of \$17,477,223, with work to be completed within four hundred fifty (450) calendar days. The Apartments are located at 3146 and 3216 South Wentworth Avenue and the Annex at 3120 and 3250 South Wentworth Avenue in Chicago.

In addition, the Capital Construction Department (CCD) requests permission to establish a contingency for an amount not-to-exceed (NTE) \$1,050,000 for potential change orders to this contract. Any use of this contingency will be subject to the established change order process and will be required to be approved by the Change Order Committee. This contingency is strictly limited to use for change orders which are clearly due to Discovered Conditions or City of Chicago Building Code changes.

The Interim Acting Vice President of Capital Construction, the Interim Acting Director of Capital Construction, the Office of the General Counsel, and the Department of Procurement and Contracts have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

CORPORATE GOAL: Ensure the Chicago Housing Authority's portfolio is safe, decent and sustainable.

FUNDING: General Fund - FY2013

SOLICITATION SUMMARY

Specification No.: IFB 13 - 01146

Vendor: Madison Construction Company
Rob Ferrino, President
Harry L. Waldner, Executive Vice President
Robert Kostelny, Vice President of Operations
Dan Mitchell, Vice President of Pre-Construction
15657 South 70th Court
Orland Park, IL 60462

Contract Type: Construction Services

Base Contract Amount: \$17,477,223

Base Contract Period: four hundred fifty
(450) calendar days

Option Period: not applicable

Publications: Chicago Sun-Times, Defender,
Extra, CHA website, BuySpeed

Vendor List: 866

Pick-Up List: 85

Solicitation Release Date: May 13, 2013

Days Advertised: sixty-one (61) business
days

Addendum(s):

1) June 11, 2013; 2) June 24, 2013;

3) July 2, 2013; 4) July 3, 2013;

5) July 15, 2013; 6) July 16, 2013

Pre-Bid Date: May 24, 2013

Solicitation Due Date: July 24, 2013

Assist Agencies: 66

Respondents: 6

<u>COMPLIANCE INFORMATION</u>	New Hires Needed	Required	Proposed
M/W/DBE Participation		40%	40.95%
Section 3 Hiring No. (30% of new hires)	12	3.6	8
Section 3 Business Concern		10%	11%

GENERAL BACKGROUND /EXPLANATION

On May 13, 2013 the Chicago Housing Authority ("CHA") solicited General Contractors to provide construction services for the exterior façade improvements and life safety upgrades at Armour Square Apartments and Annex. The City of Chicago Code requires life safety building systems to be code compliant by the end of December 2014.

- **Background/Site Details**

- Armour Square Apartments and Annex is a Senior development encompassing four (4) buildings located at 3146 and 3216 South Wentworth Avenue (Apartments), and 3120 and 3250 South Wentworth (Annex). The Apartments, built in 1970, are thirteen (13) stories tall, covering one hundred ninety eight (198) units. The two (2) Annex buildings were also completed in 1970. Each is eight (8) stories tall, and they hold one hundred ninety four (194) units. In the fall of 2012, emergency masonry repairs were performed as a temporary measure at all four (4) buildings at the site to mitigate risks from falling debris due to the deterioration of the existing facades.
- Site details:
 - The four (4) buildings sit on a site bounded by 31st Street to the north, a public alley to the west, Wentworth Ave. to the east, and 33rd Street on the south.
 - 25th Ward

The proposed scope of work includes, but is not limited to, the following:

- **Scope of Work**

- The Life Safety improvements will include:
 - Fire Communication Systems
 - Elevator Systems (Recall System, Automatic Transfer Switch)

- Fire Alarm/ Suppression Systems
- The Modernization improvements will include:
 - Common Area Improvements
 - Lobby Improvements
 - Façade Improvements
 - Window Replacements
 - Air Conditioning Unit Replacement
 - Electrical System Upgrades (Emergency Generator Replacements, ATS Replacements, etc.)
 - Security Camera Installation (Lobbies/Corridors)
- ADA 504 / MOPD Requirements
 - The PDC has met with the Mayor's Office for People with Disabilities (MOPD) on two (2) separate occasions with a third and final meeting scheduled in the next several weeks to discuss this project. Since no work is being done in the units themselves, the 5.4% ADA / 20% Type A requirement will not be triggered. ADA work in the units is not included in these documents and has not been questioned at either of the previous meetings.
- Procurement Information:
 - Procurement Process.
 - Invitation for Bid
 - The CHA advertised Invitation for Bid 13 - 01146 on May 13, 2013. Advertisements ran in the Chicago Sun-Times, the Chicago Defender, Extra, on the CHA website, and on BuySpeed Online. The Pre-Bid Conference and Site Visit were held on May 24, 2013.
 - The CHA issued six (6) addendums for this solicitation. The first, second, fourth and fifth were to move back the bid due date, the third to distribute responses to Requests for Information along with clarifications, several new and revised drawings and phasing plans, and the sixth to answer five additional Requests for Information.
 - The CHA received and opened six (6) bids on July 24, 2013.

The low bidder was Madison Construction Company (Madison) at \$17,477,223.

Based on the foregoing, the Capital Construction Department recommends that the Board of Commissioners authorize the Chief Executive Officer or his designee to enter into a contract with Madison Construction Company for the exterior façade improvements and life safety upgrades at Armour Square Apartments and Annex in the amount of \$17,477,223, with work to be completed within four hundred fifty (450) calendar days. The Apartments are located at 3146 and 3216 South Wentworth Avenue and the Annex at 3120 and 3250 South Wentworth Avenue in Chicago.

In addition, the Capital Construction Department (CCD) requests permission to establish a contingency for an amount not-to-exceed (NTE) \$1,050,000 for potential change orders to this contract. Any use of this contingency will be subject to the established change order process and will be required to be approved by the Change Order Committee. This contingency is

strictly limited to use for change orders which are clearly due to Discovered Conditions or City of Chicago Building Code changes.

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority Board policies and all applicable federal (Department of Housing and Urban Development) procurement laws.

The Interim Acting Director of Capital Construction and Interim Acting Vice President of Capital Construction concur with the recommendation to enter into a contract with Madison Construction Company for the exterior façade improvements and life safety upgrades at Armour Square Apartments and Annex in the amount of \$17,477,223 for a term of four hundred fifty (450) calendar days, and to establish a contingency for an amount not-to-exceed (NTE) \$1,050,000 for potential change orders to this contract.

The CEO/President recommends the approval to enter into a contract with Madison Construction Company for the exterior façade improvements and life safety upgrades at Armour Square Apartments and Annex in the amount of \$17,477,223 for a term of four hundred fifty (450) calendar days, and to establish a contingency for an amount not-to-exceed (NTE) \$1,050,000 for potential change orders to this contract.

RESOLUTION NO. 2013-CHA-105

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 13, 2013 entitled "AUTHORIZATION TO EXECUTE CONTRACT WITH MADISON CONSTRUCTION COMPANY FOR EXTERIOR FAÇADE IMPROVEMENTS AND LIFE SAFETY UPGRADES AT ARMOUR SQUARE APARTMENTS AND ANNEX";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorize the Chief Executive Officer or his designee to enter into a contract with Madison Construction Company for the exterior façade improvements and life safety upgrades at Armour Square Apartments and Annex in the amount of \$17,477,223, with work to be completed within four hundred fifty (450) calendar days. The Apartments are located at 3146 and 3216 South Wentworth Avenue and the Annex at 3120 and 3250 South Wentworth Avenue in Chicago.

In addition, the Capital Construction Department (CCD) requests permission to establish a contingency for an amount not-to-exceed (NTE) \$1,050,000 for potential change orders to this contract. Any use of this contingency will be subject to the established change order process and will be required to be approved by the Change Order Committee. This contingency is strictly limited to use for change orders which are clearly due to Discovered Conditions or City of Chicago Building Code changes.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3, and bonding and insurance requirements.



Chicago Housing Authority
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www.thecha.org